

Six Months Ended December 31, 1916

Sixty-Third Report

of the

Board of Directors

of the

Lehigh Valley Railroad Company

to the

Stockholders

Six Months Ended December 31, 1916



Sixty-Third Report

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Board of Directors

of the

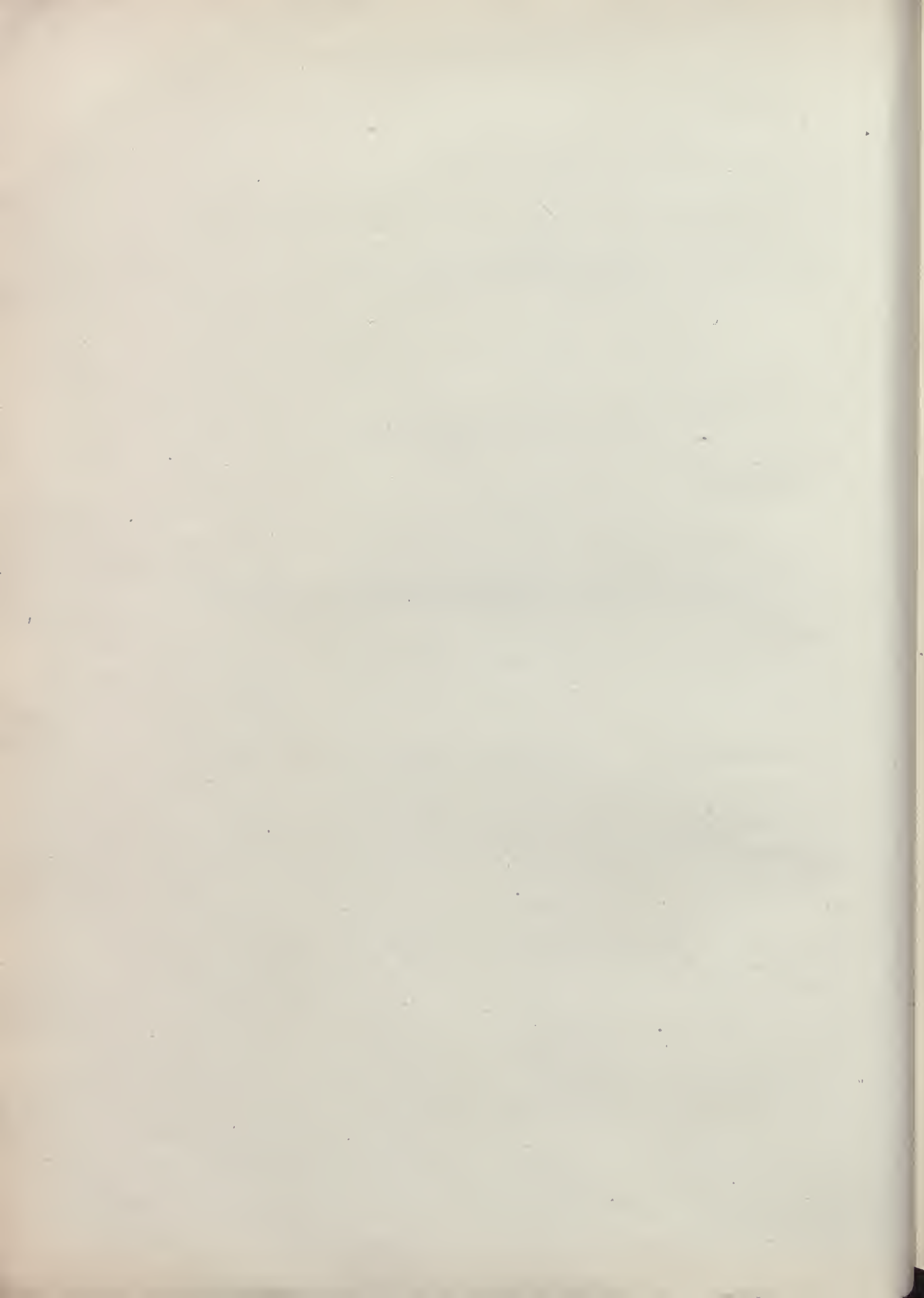
Lehigh Valley Railroad Company

to the

Stockholders



Six Months Ended December 31, 1916



Lehigh Valley Railroad Company

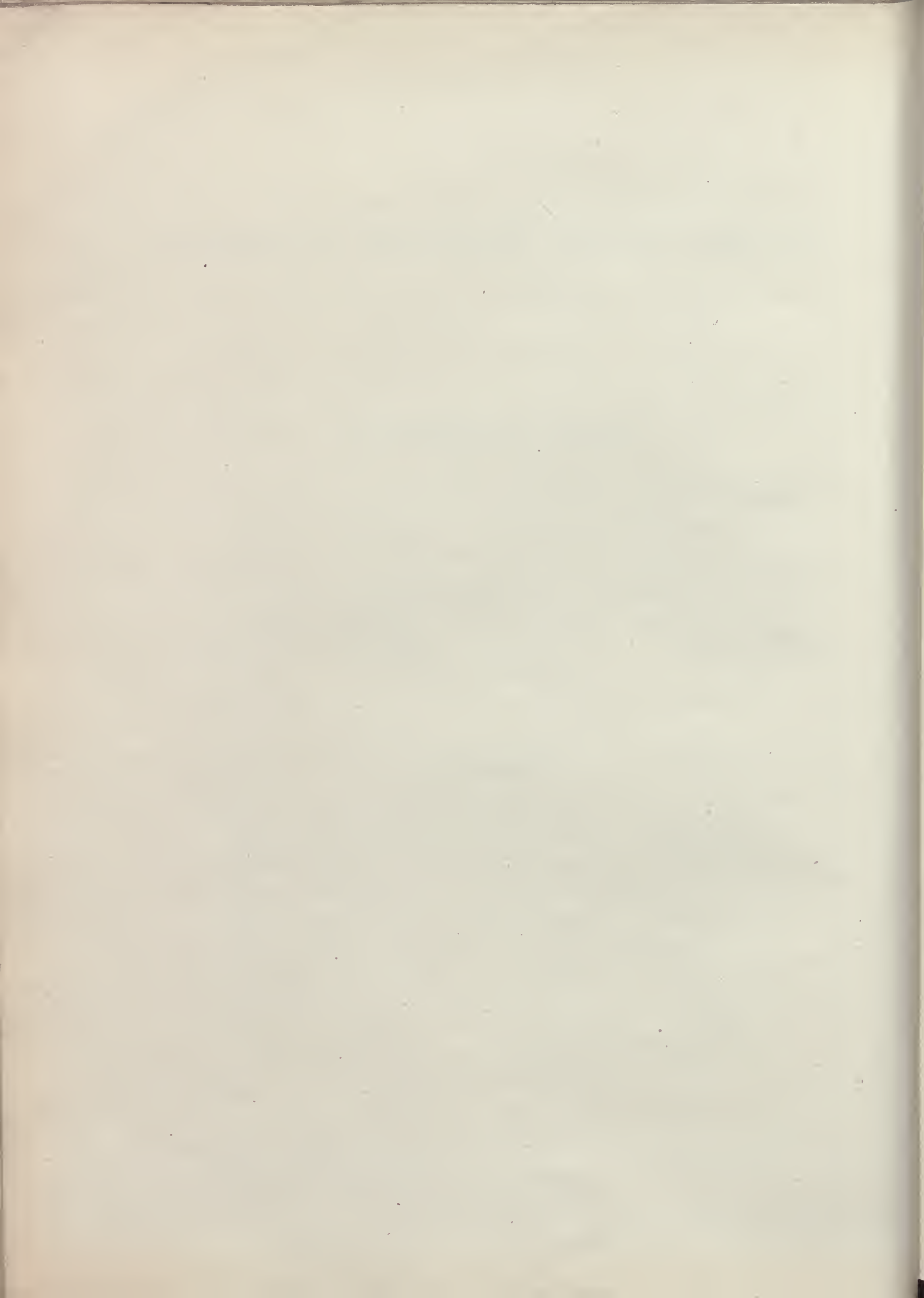
Board of Directors

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Six Months, Ended December 31, 1916

Sixty-Third Report

PHILADELPHIA, February 20, 1917.

TO THE STOCKHOLDERS OF THE

LEHIGH VALLEY RAILROAD COMPANY.

The Board of Directors herewith submit the report of the business and condition of your Company for the six months ended December 31, 1916. The fiscal year of your Company has been changed so as to end on December 31st instead of June 30th, to conform to the period for which reports are now required by the Interstate Commerce Commission and the authorities of the several states in which your lines are located. Accordingly, this report of the transactions for the six months above stated has been prepared and, for the purpose of a proper comparison, figures are shown for the corresponding period of the preceding year.

MILEAGE

The first track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N. J., to Buffalo and Suspension Bridge, N. Y., is as follows:—

	MILES
Lehigh Valley Railroad Company	315.79
Controlled by ownership of entire capital stock	938.54
Controlled by ownership of majority of capital stock and lease	115.37
Operated under lease	27.63
Total mileage operated (owned or controlled)	1,397.33
Trackage rights over railroads owned by other companies	45.82
Total first track mileage	1,443.15

In addition to the above there are 597.04 miles, or 41.37 per cent., of second track, 99.53 miles of third track, 44.86 miles of fourth track and 1,282.79 miles of yard tracks and sidings, a total of 3,467.37 miles of track in operation on December 31, 1916. A detailed statement of track mileage is shown on pages 43 to 45. The average number of miles of railway operated for the six months was 1,443.84, upon which the mileage statistics in certain tables submitted in this report are based.

The total increase of 12.55 track miles, as compared with June 30, 1916, is due almost entirely to the construction of additional yard tracks and sidings to take care of increased business.

OPERATING REVENUES AND EXPENSES

The following statement sets forth the total revenues and expenses and net revenue from operation for the six months ended December 31, 1916, compared with similar figures for the corresponding period of the preceding year. The complete income account appears on page 20.

OPERATING REVENUES

FROM	1916	1915	INCREASE	DECREASE
Coal freight.	\$9,345,640 48	\$9,825,859 75	. . . . .	\$480,219 27
Merchandise freight	11,317,769 24	10,202,598 87	\$1,115,170 37	. . . . .
Passenger.	2,599,694 09	2,301,664 89	298,029 20	. . . . .
Mail	102,118 54	97,092 42	5,026 12	. . . . .
Express	420,924 78	311,055 60	109,869 18	. . . . .
Other transportation.	1,391,404 78	1,130,209 51	261,195 27	. . . . .
Incidental	541,004 96	372,735 86	168,269 10	. . . . .
Total operating revenues	\$25,718,556 87	\$24,241,216 90	\$1,477,339 97	. . . . .

OPERATING EXPENSES

	1916	1915	INCREASE	DECREASE
Maintenance of way and structures . .	\$2,995,695 01	\$2,686,346 68	\$309,348 33	. . . . .
Maintenance of equipment	4,588,732 94	4,834,546 56	. . . . .	\$245,813 62
Traffic expenses	519,697 06	506,885 03	12,812 03	. . . . .
Transportation expenses	9,780,221 39	8,275,635 67	1,504,585 72	. . . . .
General expenses.	529,852 99	438,785 89	91,067 10	. . . . .
Total operating expenses	\$18,414,199 39	\$16,742,199 83	\$1,671,999 56	. . . . .
NET OPERATING REVENUE	\$7,304,357 48	\$7,499,017 07	. . . . .	\$194,659 59
Ratio of operating expenses to operating revenues	71.60 %	69.07 %	2.53%

Lehigh Valley Railroad Company

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OPERATING REVENUES

COAL FREIGHT

The revenue derived from the transportation of coal and coke amounted to \$9,345,640.48, a decrease of \$480,219.27, or 4.89 per cent. This decrease is due to the reduced revenue received from transportation of anthracite coal because of the lower rates ordered by the Interstate Commerce Commission effective April 1, 1916, and a decreased tonnage largely as a result of the labor situation in the anthracite and bituminous coal regions.

The percentage of coal freight revenue to total operating revenues was 36.34 per cent., a decrease of 4.20 per cent.

The coal and coke transported, excluding the Company's supply coal, was 8,692,076 tons, a decrease of 121,371 tons, or 1.38 per cent.

This class of tonnage was 49.18 per cent. of the total tonnage hauled during the six months, a decrease of 2.35 per cent.

MERCHANDISE FREIGHT

The transportation of merchandise freight produced a revenue of \$11,317,769.24, an increase of \$1,115,170.37, or 10.93 per cent.

The revenue derived from the transportation of merchandise freight was 44.01 per cent. of the total operating revenues, an increase of 1.92 per cent.

The tonnage moved, excluding Company's material, was 8,982,065 tons, an increase of 8.34 per cent.

GENERAL FREIGHT

The total revenue derived from both coal and merchandise freight was \$20,663,409.72, an increase of \$634,951.10, or 3.17 per cent.

The entire freight traffic amounted to 17,674,141 tons, an increase of 570,213 tons, or 3.33 per cent.

The number of tons carried one mile was 3,186,658,847, an increase of 134,103,324 ton miles, or 4.39 per cent.

The average haul was 180.30 miles, an increase of 1.83 miles, or 1.03 per cent.

The average revenue per ton was 116.913 cents, a decrease of .186 cent, or .16 per cent.

Lehigh Valley Railroad Company

Company's freight, not included in the above, amounted to 1,494,446 tons, a decrease of 382,899 tons, or 20.40 per cent.

The total freight train mileage was 4,660,375 miles, a decrease of 13,789 miles, or .30 per cent.

The revenue received per freight train mile was \$4.43, an increase of \$0.15, or 3.50 per cent.

The average trainload of revenue freight was 683.78 tons, an increase of 30.71 tons, or 4.70 per cent. Including Company's freight, the average trainload was 708.05 tons, an increase of 30.01 tons, or 4.43 per cent.

PASSENGER

The earnings received from passenger traffic amounted to \$2,599,694.09, an increase of \$298,029.20, or 12.95 per cent.

The total number of passengers carried was 3,724,606, an increase of 369,246, or 11.00 per cent.

The number of passengers carried one mile increased 14,757,676, or 11.73 per cent.

The average distance traveled by each passenger was 37.73 miles, an increase of .24 mile, or .64 per cent.

The average revenue per passenger was 69.798 cents, an increase of 1.201 cents, or 1.75 per cent.

The average revenue per passenger per mile was 1.850 cents, an increase of .020 cent, or 1.09 per cent.

Passenger train mileage was 2,378,782, an increase of 225,901 miles, or 10.49 per cent., as compared with an increase in this revenue of 12.95 per cent.

The average revenue from passengers per passenger train mile was 109.29 cents, an increase of 2.38 cents, or 2.23 per cent.

MAIL

The sum of \$102,118.54 was received from the Federal Government for the transportation of United States mail, an increase of \$5,026.12.

EXPRESS

The revenue from this class of business amounted to \$420,924.78, an increase of \$109,869.18.

OTHER TRANSPORTATION

The earnings derived from transportation other than shown under the preceding headings were \$1,391,404.78, an increase of \$261,195.27.

INCIDENTAL

Incidental revenue amounted to \$541,004.96, an increase of \$168,269.10.

OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

The sum of \$2,995,695.01 was expended for the maintenance of way and structures, an increase of \$309,348.33, or 11.52 per cent.

During the six months twenty-seven steel bridges and fifteen concrete-steel bridges, replacing light iron or wooden bridges, were constructed. One new steel bridge and two wooden trestles were built in connection with track extensions. Five stone arches and one wooden overhead highway bridge were extended for additional track. One wooden bridge was replaced by a pipe culvert and one stone arch replaced by a reinforced concrete culvert. One iron and two wooden bridges and two wooden trestles were abandoned and openings filled.

413 tons of 136-pound rail, 121 tons of 110-pound rail and 2,692 tons of 100-pound rail, together with necessary frogs, switches, etc., were placed in the track.

456,705 tie plates and 16,448 anti-rail creepers were used.

467,534 cross ties, 864,966 feet B. M. switch ties, 431,555 feet B. M. bridge ties and lumber amounting to 2,197,325 feet B. M. were used.

268,479 of the cross ties, 769,907 feet B. M. of switch ties and 430,324 feet B. M. of bridge ties were treated with creosote.

59,355 cubic yards of crushed stone were used in ballasting track. 7,329 feet of drain tile were placed in the roadbed.

50.07 miles of copper and 31.75 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

MAINTENANCE OF EQUIPMENT

The expenditures for the maintenance of equipment amounted to \$4,588,732.94, a decrease of \$245,813.62, or 5.08 per cent. Included therein is a charge of \$749,798.40 for the depreciation of equipment, as required by the accounting rules of the Interstate Commerce Commission.

Thirty worn-out locomotives, one passenger car, one milk car, 1,670 freight equipment cars and 55 road service cars were condemned and either sold or destroyed during the six months and their value written off the books by appropriate charges through operating expenses.

Five passenger cars were converted into workmen's cars and 71 produce cars were converted into ice cars. Four locomotive tenders were converted into water cars and together with nine freight equipment cars were transferred to road service.

In addition to the above, eight locomotives were equipped with brick arches, three with stokers and one with straight air.

Twenty-four locomotives had new fire boxes applied, twenty-nine locomotives were equipped with new cylinders and fifteen locomotives had new boilers applied.

140 passenger equipment cars were painted and varnished and five equipped with electric lighting apparatus. Three express cars and one business car were equipped with steel underframes.

Steel underframes were applied to 50 wooden freight and coal cars, making a total of 15,243 cars so equipped. 624 wooden freight cars were equipped with metal draft arms. 746 freight equipment cars and 53 road service cars were equipped with safety appliances to conform to the requirements of the Interstate Commerce Commission.

The total number of locomotives on hand at the close of the year was 965, with a tractive power of 33,059,618 pounds. The total number of freight equipment cars was 43,504, with a capacity of 1,651,240 tons.

TRAFFIC EXPENSES

The expenditures under this heading amounted to \$519,697.06, an increase of \$12,812.03.

TRANSPORTATION EXPENSES

The cost of conducting transportation was \$9,780,221.39, an increase of \$1,504,585.72, or 18.18 per cent.

The ratio of transportation expenses to total operating revenues was 38.03 per cent., an increase of 3.89 per cent.

GENERAL EXPENSES

This class of expenses amounted to \$529,852.99, or 2.06 per cent., of the total operating revenues.

TAXES

The taxes accrued on your property, capital and business during the six months amounted to \$992,983.10, an increase of \$94,983.10.

ADDITIONS AND BETTERMENTS

The sum of \$5,705,080.69 was expended during the six months for the improvement and development of existing property and for the acquisition of new property, which amount has been charged to the appropriate Capital Accounts, as required by the Interstate Commerce Commission. A classified statement of these expenditures appears on page 40. Specific mention is made of the more important expenditures, viz:—

The new equipment purchased and added to the property during the six months is as follows: Twenty-three freight locomotives, one passenger locomotive, eight locomotive tenders, two steel dining cars, one steel business car, five steel flat cars, twenty-five steel underframe 8-wheel cabooses, 1,317 automobile cars, 80,000-pound capacity, equipped with steel underframes and steel ends, three locomotive cranes, one Russell snow plow and one motor inspection car. A portion of this equipment is covered by Equipment Trust Series O, referred to in the previous annual report.

In addition to the foregoing, orders have been placed for twenty-two Pacific type passenger locomotives, seventy-five freight locomotives, twenty locomotive tenders, 8,000 gallon capacity, twenty-five steel baggage and express cars, 183 automobile cars, 80,000-pound capacity, with steel underframes and steel ends, one motor inspection car and five locomotive cranes.

During the six months five 10-wheel freight locomotives were rebuilt and equipped with superheaters, new cylinders and Walschaert valve gears, thereby increasing their efficiency and reducing the fuel consumption.

The new passenger station and train sheds at Buffalo, referred to in the previous annual report, were placed in service last fall, although the train sheds are not entirely completed.

The new ore pier at Constable Hook was completed and the installation of machinery is well under way and the pier will be ready for operation in May next. A two-story pier and a bulkhead shed were completed and put in service at Pier 44, East River, New York.

A new engine terminal at Manchester, consisting of a 30-stall fireproof enginehouse with a 100-foot electrically operated turntable, was put in service during the winter. A machine shop and a power plant at the same point are under construction. At Suspension Bridge a new 15-stall fireproof enginehouse with a 100-foot electrically operated turntable was completed and necessary shop and power buildings are well under way. The making of minor repairs to locomotives and the prompt handling of the same will be greatly facilitated by these improvements.

The work of strengthening forty-two bridges between Coxton and Manchester was practically completed and the heavier locomotives can now be operated over this portion of the line. The extension of sixteen passing sidings on the Seneca Division necessary to permit of the hauling of longer trains has been completed. In this connection, the work of strengthening bridges for the operation of heavier power between Manchester and Buffalo and on the Niagara Falls Branch and Ithaca Branch has been authorized and is expected to be completed about September next.

Lehigh Valley Railroad Company

75,662 feet, or 14.33 miles, of Company's sidings, and 19,642 feet, or 3.72 miles, of industrial sidings, were constructed during the six months.

Team delivery tracks were constructed at North Wilkes-Barre, Blakeslee and Maltby, providing additional room for fourteen, six and four cars, respectively. Wagon scales were installed at East 149th Street, New York.

Thirty-seven new gasoline motor cars for use of section, bridge, signal and telegraph gangs were purchased, making a total of 185 now in service.

Automatic disc signals between Wilkes-Barre and Port Bowkley, a distance of 5.19 miles, were replaced by automatic signals of the two-position, lower-quadrant type. This completes the replacement of all disc signals with semaphore signals. Automatic signals of the three-position, upper-quadrant type, equipped with electric lights, were installed between Lodi and East Waverly, a distance of 49.98 miles, replacing signals of the two-position, lower-quadrant type. An electric interlocking plant, operating derails, crossing gates and signals protecting the street crossings at Scott Street and Mississippi Street, Buffalo, was placed in service.

Visible and audible crossing signals were installed at Sheldrake Springs, Hector and Dupont Crossing.

New telegraph and telephone lines were erected for a distance of .25 mile on the New Jersey and Lehigh Division and .25 mile on the Buffalo Division. Telegraph and telephone pole lines were rebuilt for a distance of 5 miles on the New Jersey and Lehigh Division; 9.10 miles on the Mahanoy and Hazleton Division; 2.30 miles on the Wyoming Division; 1.20 miles on the Seneca Division; 5 miles on the Auburn Division, and .50 mile on the Buffalo Division. Poles were reset for a distance of 19.30 miles on the Wyoming Division; 10 miles on the Seneca Division; 6.80 miles on the Auburn Division, and 4 miles on the Buffalo Division.

FINANCIAL

No capital obligations have been issued and sold by your Company during the six months under review.

The following obligations of your Company matured and were retired:—

DESCRIPTION	INTEREST RATE	MATURITY	AMOUNT
Collateral Trust Bonds	4%	August	\$500,000
Equipment Trust, Series I, Certificates	4%	September	400,000
Equipment Trust, Series J, Certificates	4½%	September	250,000
Equipment Trust, Series K, Certificates	4%	September	150,000
Equipment Trust, Series L, Certificates	4½%	October	200,000
Total			\$1,500,000

Lehigh Valley Railroad Company

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The advances made by the Lehigh Valley Railroad Company to the Lehigh Valley Harbor Terminal Railway Company in connection with the acquisition of real estate for additional terminal facilities at Jersey City, referred to in the last annual report, were reimbursed by the issuance of a note of the Harbor Terminal Company for \$586,404.42, bearing interest at rate of five per cent. per annum. This note has been placed in the treasury and, together with similar notes aggregating \$2,976,336.05 previously issued, will be taken up when the permanent financing of the new corporation has been arranged.

The capital stock of the Fair Land Realty Company, formerly owned by your Company, was surrendered for cancellation, the assets of that company distributed and the corporation dissolved. The capital stock of the Weatherly Water Company held by your Company was sold at par.

Material and Supplies on hand at the close of the year amounted to \$3,563,297.17, an increase of \$547,371.01.

Current Assets are \$10,386,746.91 in excess of Current Liabilities.

Two quarterly dividends of two and one-half per cent. each on the preferred and common capital stocks of the Company were declared and paid during the six months.

The cash and security balances of the Company for the six months have been verified by certified public accountants and a copy of their certificate as to the correctness of the same is given on page 15.

GENERAL REMARKS

The operating revenues of your Company for the six months under review show a substantial increase over the corresponding period of the preceding year, but, owing to the high rates of wages paid and the prevailing high prices of all classes of material required in railroad operation, the expenses increased to a greater degree, resulting in a slight decrease in the net operating revenue.

At the close of the year your Company had thirty-five men engaged in the preparation of data in connection with the Federal valuation of your property and the total cost to your Company of this work since July 1, 1913, amounts to \$161,733.76.

One new steel tug, three ear floats and seven covered barges were received during the six months and added to the floating equipment of the Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company. In addition to the foregoing, orders have been placed for two steel steam lighters, thirteen steel 12-car floats, three steel 8-car floats, one steel 23-car float, six 90-foot wooden barges and ten grain boats. One wooden sea-going barge, fully covered by insurance, was lost at sea. One barge, three grain boats and two work boats were destroyed. One ear float and one grain boat which, on account of age and small capacity, became undesirable for further service, were condemned and sold. The floating equipment used by your Company and its affiliated companies is shown in detail on page 42.

Lehigh Valley Railroad Company

The operation of the Lehigh and New York Railroad, which property is leased and operated by your Company under an agreement made in 1895, resulted in a loss of \$78,858.17 for the six months.

Twenty-eight new industries were located on the system during the six months, of which twenty-six have direct track connections with your Company's lines.

The total payments direct to labor for the six months amounted to \$10,715,117.80, or 58.19 per cent. of the total operating expenses, the same having been distributed among an average of 25,303 employees.

The contribution made by your Company to its Employees' Relief Fund amounted to \$28,109.14. The total payments made from this fund since its establishment in 1878 up to December 31, 1916, have amounted to \$2,225,920.57. Of this the employees subscribed one-half, while your Company contributed the other portion.

Acknowledgment is made of the faithful and efficient services rendered by the employees of your Company.

E. B. THOMAS,
President.

Lehigh Valley Railroad Company

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HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

CABLE ADDRESS "HASKSELLS"

30 BROAD STREET

NEW YORK

NEW YORK
CHICAGO
ST. LOUIS
CLEVELAND
BALTIMORE
PITTSBURGH

SAN FRANCISCO
LOS ANGELES
DENVER
ATLANTA
WATERTOWN
LONDON

NEW YORK, February 19, 1917.

LEHIGH VALLEY RAILROAD COMPANY,

PHILADELPHIA, PENNSYLVANIA.

We have audited the books and accounts of the Lehigh Valley Railroad Company for the half-years ended December 31, 1916 and 1915, including confirmation of the accounts representing cash, securities, and notes, either by physical examination of such assets or by obtaining certifications of depositaries and trustees as to their custody; and

WE HEREBY CERTIFY that the accompanying Income Account and Comparison for the respective periods, Profit & Loss Account for the half-year ended December 31, 1916, and General Balance Sheet of December 31, 1916, are correct.

(Signed), HASKINS & SELLS,
Certified Public Accountants

STATEMENTS

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Lehigh Valley Railroad Company

COMPARATIVE INCOME ACCOUNT FOR THE SIX MONTHS ENDED DECEMBER 31,
1916 AND 1915

	1916	1915	INCREASE	DECREASE
OPERATING REVENUES:—				
Coal freight revenue	\$9,345,640 48	\$9,825,859 75		\$480,219 27
Merchandise freight revenue	11,317,769 24	10,202,598 87	\$1,115,170 37	
Passenger revenue	2,599,694 09	2,301,664 89	298,029 20	
Mail revenue	102,118 54	97,092 42	5,026 12	
Express revenue	420,924 78	311,055 60	109,869 18	
Other transportation revenue	1,391,404 78	1,130,209 51	261,195 27	
Incidental revenue	541,004 96	372,735 86	168,269 10	
Total operating revenues	\$25,718,556 87	\$24,241,216 90	\$1,477,339 97	
OPERATING EXPENSES:—				
Maintenance of way and structures	\$2,995,695 01	\$2,686,346 68	\$309,348 33	
Maintenance of equipment	4,588,732 94	4,834,546 56		\$245,813 62
Traffic expenses	519,697 06	506,885 03	12,812 03	
Transportation expenses	9,780,221 39	8,275,635 67	1,504,585 72	
General expenses	529,852 99	438,785 89	91,067 10	
Total operating expenses	\$18,414,199 39	\$16,742,199 83	\$1,671,999 56	
Ratio of operating expenses to operating revenues	71.60 %	69.07 %	2.53 %	
Net operating revenue	\$7,304,357 48	\$7,499,017 07		\$194,659 59
RAILWAY TAX ACCRUALS	\$942,719 28	\$844,000 00	\$98,719 28	
UNCOLLECTIBLE RAILWAY REVENUES	3,242 13	1,684 82	1,557 31	
Total tax accruals, etc.	\$945,961 41	\$845,684 82	\$100,276 59	
OPERATING INCOME	\$6,358,396 07	\$6,653,332 25		\$294,936 18
OTHER INCOME:—				
Joint facility rent income	\$144,730 99	\$121,671 11	\$23,059 88	
Dividend income	507,200 42	93,025 50	414,174 92	
Income from funded securities	215,655 00	216,855 85		\$1,200 85
Miscellaneous income	492,975 21	298,793 75	194,181 46	
Total other income	\$1,360,561 62	\$730,346 21	\$630,215 41	
TOTAL INCOME	\$7,718,957 69	\$7,383,678 46	\$335,279 23	
DEDUCTIONS FROM INCOME:—				
Hire of equipment—Debit balance	\$229,114 57	\$324,142 88		\$95,028 31
Interest on funded debt	1,917,434 25	1,706,661 72	\$210,772 53	
Rent for leased roads	1,071,294 62	1,071,294 62		
Joint facility rents	104,504 96	104,355 12	149 84	
Miscellaneous rents	296,079 00	264,685 93	31,393 07	
Miscellaneous tax accruals	50,263 82	54,000 00		3,736 18
Miscellaneous deductions	47,621 93	17,225 23	30,396 70	
Total deductions from income	\$3,716,313 15	\$3,542,365 50	\$173,947 65	
NET INCOME	\$4,002,644 54	\$3,841,312 96	\$161,331 58	

Lehigh Valley Railroad Company

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PROFIT AND LOSS ACCOUNT FOR THE SIX MONTHS ENDED DECEMBER 31, 1916

	Dr.	Cr.
Balance, July 1, 1916		\$23,961,862 93
Net income for six months ended December 31, 1916		4,002,644 54
Miscellaneous adjustments	\$15,895 28	
Dividends:		
Two and one-half per cent. on preferred stock, paid		
Oct. 14, 1916 \$2,657 50		
Two and one-half per cent. on common stock, paid		
Oct. 14, 1916 1,512,542 50		
Two and one-half per cent. on preferred stock, due		
Jan. 13, 1917 2,657 50		
Two and one-half per cent. on common stock, due		
Jan. 13, 1917 1,512,542 50	3,030,400 00	
Balance, December 31, 1916	24,918,212 19	
	\$27,964,507 47	\$27,964,507 47
Balance brought forward, January 1, 1917		\$24,918,212 19

Lehigh Valley Railroad Company

GENERAL BALANCE

Dr.

ASSETS

INVESTMENT IN ROAD AND EQUIPMENT:—		
Investment in road	\$24,923,156 20	
Investment in equipment	58,481,181 44	
		\$83,404,337 64
INVESTMENT IN MISCELLANEOUS PHYSICAL PROPERTY		
		2,044,897 96
INVESTMENTS IN AFFILIATED COMPANIES:—		
Stocks	\$46,080,551 52	
Bonds	32,745,926 00	
Notes	3,776,490 47	
Advances	2,318,177 74	
		84,921,145 73
OTHER INVESTMENTS:—		
Stocks	\$251,869 00	
Bonds	34,000 00	
Miscellaneous	307,279 00	
		593,148 00
CURRENT ASSETS:—		
Cash	\$11,423,286 05	
Traffic and car-service balancee receivable	613,845 59	
Net balancee receivable from agents and conductors	1,736,274 66	
Miscellaneous accounts receivable	1,383,592 72	
Material and supplies	3,563,297 17	
Interest and dividends receivable	236,460 85	
Other current assets	245,119 16	
		19,201,876 20
DEFERRED ASSETS		
		1,627,711 61
UNADJUSTED DEBITS:—		
Rents and insurance premiums paid in advance	\$92,549 82	
Other unadjusted debits	2,576,667 80	
		2,669,217 62
TOTAL ASSETS		
		\$194,462,334 76

Lehigh Valley Railroad Company

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SHEET, DECEMBER 31, 1916

Cr.

LIABILITIES

CAPITAL STOCK:—		
1,210,034 shares common stock, par \$50.	\$60,501,700 00
2,126 shares preferred stock, par \$50.	106,300 00	. . . . .
		\$60,608,000 00
FUNDED DEBT:—		
Mortgage bonds	\$89,336,000 00	. . . . .
Collateral trust bonds	9,500,000 00	. . . . .
Equipment trust obligations	3,400,000 00	. . . . .
Mortgage on real estate	1,669 18	. . . . .
	\$102,237,669 18	. . . . .
Less securities held in treasury of the Company	17,956,000 00	. . . . .
		84,281,669 18
CURRENT LIABILITIES:—		
Traffic and car-service balances payable	\$920,143 58	. . . . .
Audited accounts and wages payable	4,249,179 26	. . . . .
Miscellaneous accounts payable	269,020 60	. . . . .
Interest matured unpaid	405,262 50	. . . . .
Dividends matured unpaid	6,232 25	. . . . .
Funded debt matured unpaid	6,000 00	. . . . .
Unmatured dividends declared	1,515,200 00	. . . . .
Unmatured interest accrued	603,712 72	. . . . .
Unmatured rents accrued	351,256 01	. . . . .
Other current liabilities	489,122 37	. . . . .
		8,815,129 29
DEFERRED LIABILITIES		1,659,686 89
UNADJUSTED CREDITS:—		
Tax liability	\$633,815 42	. . . . .
Accrued depreciation—Equipment	9,858,464 28	. . . . .
Other unadjusted credits	3,687,357 51	. . . . .
		14,179,637 21
PROFIT AND LOSS		24,918,212 19
TOTAL LIABILITIES		\$194,462,334 76

Lehigh Valley Railroad Company

STATEMENT OF FUNDED DEBT, DECEMBER 31, 1916

DESCRIPTION	DATE OF MATURITY	INTEREST			PRINCIPAL
		Rate	Payable	Accrued During the Six Months	
Lehigh Valley Railroad Company:—					
First Mortgage Bonds	June 1, 1948	4%	June and Dec.	\$100,000 00	\$5,000,000 00
Consolidated Mortgage Bonds:—					
Coupon \$1,319,000	Dec. 1, 1923	6%	June and Dec.		
Registered 4,319,000	"	6%	"		
Annuity 10,062,000	Perpetual	6%	"	471,000 00	15,700,000 00
Coupon \$1,669,000	Dec. 1, 1923	4½%	"		
Registered 3,093,000	"	4½%	"		
Annuity 2,538,000	Perpetual	4½%	"	164,250 00	7,300,000 00
General Consolidated Mortgage Bonds	May 1, 2003	4%	May and Nov.	532,780 00	26,639,000 00
Collateral Trust Bonds.	\$500,000 semi-annually, to Feb. 1, 1926	4½%	"	465,682 50	20,697,000 00
		4%	Feb. and Aug.	170,546 67	8,444,000 00
Equipment Trust, Series J, Certificates	\$250,000 semi-annually, to Sept. 1, 1917	4½%	Mar. and Sept.	13,125 00	500,000 00
Mortgage on Real Estate.				50 08	1,669 18
		Total		\$1,917,434 25	
Total amount of Funded Debt outstanding					\$84,281,669 18
Amount of Funded Debt in the Treasury of the Company, viz:—					
General Consolidated Mortgage 4% Bonds					13,000,000 00
General Consolidated Mortgage 4½% Bonds					1,000,000 00
Collateral Trust 4% Bonds					1,056,000 00
Equipment Trust, Series K, 4% Certificates maturing \$150,000 semi-annually to September 1, 1917					300,000 00
Equipment Trust, Series L, 4½% Certificates maturing \$200,000 semi-annually to October 1, 1919					1,200,000 00
Equipment Trust, Series M, 4½% Certificates maturing \$200,000 annually to March 1, 1923 . .					1,400,000 00
Total Funded Debt, per balance sheet					\$102,237,669 18

Details of the several above mortgages will be found on pages 49 to 53.

Lehigh Valley Railroad Company

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RENTALS OF LEASED ROADS AND GUARANTIES, SIX MONTHS ENDED DECEMBER 31, 1916

GUARANTIES	PRINCIPAL	DATE OF MATURITY	INTEREST		
			Rate	Payable	Accrued During the Six Months
Lehigh Valley Terminal Ry. Co.:— First Mortgage Bonds	\$10,000,000	Oct. 1, 1941	5%	April and Oct.	\$250,000 00
Easton and Amboy R. R. Co.:— First Mortgage Bonds	6,000,000	May 1, 1920	5%	May and Nov.	150,000 00
Easton and Northern R. R. Co.:— First Mortgage Bonds	51,000	Nov. 1, 1935	4½%	May and Nov.	1,147 50
Penna. and New York Canal and R.R.Co.:— Consolidated Mortgage Bonds	4,000,000	April 1, 1939	5%	April and Oct.	100,000 00
Consolidated Mortgage Bonds	1,500,000	"	4½%	"	33,750 00
Consolidated Mortgage Bonds	3,000,000	"	4%	"	60,000 00
Lehigh and New York R. R. Co.:— First Mortgage Bonds	2,000,000	Sept. 1, 1945	4%	March and Sept.	40,000 00
The Lehigh Valley Rail Way Co.:— First Mortgage Bonds	15,000,000	July 1, 1940	4½%	Jan. and July	337,500 00
Middlesex Valley R. R. Co.:— First Mortgage Bonds	200,000	Nov. 1, 1942	5%	May and Nov.	5,000 00
The Lehigh and Lake Erie R. R. Co.:— First Mortgage Bonds	3,000,000	March 1, 1957	4½%	March and Sept.	67,500 00
Total	\$44,751,000				\$1,044,897 50
RENTALS					20,000 00
State Line and Sullivan R. R. Co.					1,000 00
Raritan Terminal and Transportation Co.					5,397 12
New York Central R. R. Co.					\$1,071,294 62
Total rent for leased roads					

Details of the several above mortgages will be found on pages 49 to 53.

Lehigh Valley Railroad Company

STATEMENT OF SECURITIES OWNED—NOT PLEDGED

IN TREASURY		PAR VALUE
BONDS		
Lehigh Valley Railroad Co., General Consolidated Mortgage (4%)		\$13,000,000 00
Lehigh Valley Railroad Co., General Consolidated Mortgage (4½%)		1,000,000 00
Lehigh Valley Railroad Co., Collateral Trust		1,056,000 00
Consolidated Real Estate Co., First Mortgage		2,600,000 00
Easton and Northern Railroad Co., First Mortgage		249,000 00
Greenville and Hudson Railway Co., First Mortgage		350,000 00
Irvington Railroad Co., First Mortgage		125,000 00
Lehigh-Buffalo Terminal Railway Corporation, Debentures		3,740,000 00
Lehigh and Hudson River Railway Co., Debentures		34,000 00
Middlesex Valley Railroad Co., First Mortgage		400,000 00
Montrose Railroad Co., First Mortgage		100,000 00
Montrose Railroad Co., Debentures		12,000 00
Morris Canal and Banking Co., First Mortgage		500,000 00
Rochester Southern Railroad Co., First Mortgage		425,000 00
Schuylkill and Lehigh Valley Railroad Co., First Mortgage		2,000,000 00
Seneca County Railway, First Mortgage		500,000 00
Wyoming Valley Water Supply Co., First Mortgage		1,368,000 00
Total		\$27,459,000 00
EQUIPMENT TRUST CERTIFICATES		
Lehigh Valley Railroad Company, Series K		\$300,000 00
Lehigh Valley Railroad Company, Series L		1,200,000 00
Lehigh Valley Railroad Company, Series M		1,400,000 00
Total		\$2,900,000 00
STOCKS		
Bay Shore Connecting Railroad Co.		\$20,000 00
Buffalo Creek Railroad Co.		125,000 00
Consolidated Real Estate Co.		5,000 00
Delphi Falls Creamery Association		1,400 00
Highland Coal Co.		120,000 00
Lehigh-Buffalo Terminal Railway Corporation		50,000 00
Lehigh and Hudson River Railway Co.		163,100 00
Lehigh Valley Harbor Terminal Railway Co.		100,000 00
Montrose Railroad Co.		100,000 00
Morris Canal and Banking Co., Consolidated		992,100 00
Morris Canal and Banking Co., Preferred		1,139,900 00
Morris Canal and Banking Co., Preferred Dividend Scrip		47,237 50
Packer Coal Co.		3,800 00
Philadelphia Bourse, Common		1,500 00
Philadelphia Bourse, Preferred		575 00
Philadelphia Grain Elevator Co.		164,000 00
Philadelphia Harbor Transfer		40,000 00
Pioneer Real Estate Co.		2,500 00
Temple Iron Co.		5,709 00
United Real Estate Co.		1,000 00
Wyoming Valley Water Supply Co.		100,000 00
Total		\$3,182,821 50

Lehigh Valley Railroad Company

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STATEMENT OF SECURITIES OWNED—PLEDGED

UNDER GENERAL CONSOLIDATED MORTGAGE		PAR VALUE
DEBENTURE BONDS		
Easton and Northern Railroad Co.		\$23,000 00
Lehigh Valley Coal Co.		7,500,000 00
Lehigh Valley Railroad Co. of New Jersey		3,310,000 00
Lehigh Valley Rail Way Co.		6,643,000 00
Lehigh Valley Transportation Co.		730,000 00
Loyalsock Railroad Co.		35,000 00
National Storage Co.		755,000 00
Pennsylvania and New York Canal and Railroad Co.		1,640,000 00
Schuylkill and Lehigh Valley Railroad Co.		6,000 00
Total		\$20,642,000 00
STOCKS		
Easton and Northern Railroad Co.		\$565,000 00
Lehigh and New York Railroad Co., Preferred		2,300,350 00
Lehigh Valley Coal Co.		1,965,000 00
Lehigh Valley Railroad Co. of New Jersey		12,506,000 00
Lehigh Valley Rail Way Co.		11,745,000 00
Lehigh Valley Transportation Co.		1,510,000 00
Loyalsock Railroad Co.		825,000 00
National Storage Co.		2,400,000 00
New York and Middle Coal Field Railroad and Coal Co.		1,216,325 00
Pennsylvania and New York Canal and Railroad Co.		1,511,550 00
Schuylkill and Lehigh Valley Railroad Co.		2,000,000 00
Total		\$38,544,225 00
UNDER COLLATERAL TRUST AGREEMENT		
STOCKS		
Coxe Brothers & Company, Incorporated		\$2,910,150 00
Delaware, Susquehanna and Schuylkill Rail Road Co.		1,500,000 00
Total		\$4,410,150 00
UNDER TRUST AGREEMENT		
STOCK		
Mutual Terminal Co. of Buffalo		\$15,000 00
SUMMARY		
Not pledged		\$33,541,821 50
Pledged		63,611,375 00
Total		\$97,153,196 50

Lehigh Valley Railroad Company

MONTHLY OPERATING REVENUES AND EXPENSES FOR THE SIX MONTHS ENDED DECEMBER

	OPERATING REVENUES					
	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL
July, 1916	\$1,533,658 90	\$1,822,646 39	\$525,345 05	\$85,830 38	\$340,016 80	\$4,307,497 52
August, "	1,569,993 87	1,945,527 17	496,669 17	91,413 59	332,041 65	4,435,645 45
September, "	1,654,312 75	1,773,628 07	440,164 53	89,331 23	351,525 16	4,308,961 74
October, "	1,623,974 14	2,026,819 70	390,317 89	89,994 49	303,745 62	4,434,851 84
November, "	1,560,996 61	2,083,766 56	349,527 71	78,320 98	319,378 74	4,391,990 60
December, "	1,402,704 21	1,665,381 35	397,669 74	88,152 65	285,701 77	3,839,609 72
Total, six months ended December 31, 1916	\$9,345,640 48	\$11,317,769 24	\$2,599,694 09	\$523,043 32	\$1,932,409 74	\$25,718,556 87
Total, six months ended December 31, 1915	9,825,859 75	10,202,598 87	2,301,664 89	408,148 02	1,502,945 37	24,241,216 90
Increase		\$1,115,170 37	\$298,029 20	\$114,895 30	\$429,464 37	\$1,477,339 97
Decrease	\$480,219 27					
Increase, per cent.		10.93	12.95	28.15	28.57	6.09
Decrease, "	4.89					

Lehigh Valley Railroad Company

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31, 1916, COMPARED WITH TOTALS FOR THE SIX MONTHS ENDED DECEMBER 31, 1915

OPERATING EXPENSES					NET OPERATING REVENUE
MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL	
\$556,194 86	\$681,142 07	\$1,611,741 77	\$87,371 77	\$2,936,450 47	\$1,371,047 05
589,997 64	766,343 73	1,636,368 77	76,797 31	3,069,507 45	1,366,138 00
493,257 76	865,906 50	1,622,885 26	83,967 11	3,066,016 63	1,242,945 11
535,369 22	710,732 77	1,732,104 44	87,150 11	3,065,356 54	1,369,495 30
528,617 95	733,090 84	1,890,299 42	77,410 33	3,229,418 54	1,162,572 06
292,257 58	831,517 03	1,806,518 79	117,156 36	3,047,449 76	792,159 96
\$2,995,695 01	\$4,588,732 94	\$10,299,918 45	\$529,852 99	\$18,414,199 39	\$7,304,357 48
2,686,346 68	4,834,546 56	8,782,520 70	438,785 89	16,742,199 83	7,499,017 07
\$309,348 33	.....	\$1,517,397 75	\$91,067 10	\$1,671,999 56	.....
.....	\$245,813 62	.....	.....	.....	\$194,659 59
11.52	.....	17.28	20.75	9.99	.....
.....	5.08	.....	.....	.....	2.60

Lehigh Valley Railroad Company

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1916	1915	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	\$141,756 65	\$123,971 83	\$17,784 82	. . . . .
Roadway maintenance	309,104 34	204,759 37	104,344 97	. . . . .
Tunnels and subways	4,334 41	5,722 66	. . . . .	\$1,388 25
Bridges, trestles and culverts	311,399 22	222,000 00	89,399 22	. . . . .
Ties	423,814 89	549,264 28	. . . . .	125,449 39
Rails	38,593 43	136,216 33	. . . . .	97,622 90
Other track material	80,035 98	81,755 22	. . . . .	1,719 24
Ballast	69,644 04	39,036 59	30,607 45	. . . . .
Track laying and surfacing	572,047 86	555,090 21	16,957 65	. . . . .
Right of way fences	5,422 31	4,981 75	440 56	. . . . .
Snow and sand fences and snowsheds	552 74	1,077 29	. . . . .	524 55
Crossings and signs	26,838 38	38,722 94	. . . . .	11,884 56
Station and office buildings	253,978 39	96,606 84	157,371 55	. . . . .
Roadway buildings	20,505 50	8,143 72	12,361 78	. . . . .
Water stations	29,040 34	32,341 19	. . . . .	3,300 85
Fuel stations	8,843 78	7,751 98	1,091 80	. . . . .
Shops and enginehouses	136,563 82	194,370 00	. . . . .	57,806 18
Grain elevators	3,387 19	745 78	2,641 41	. . . . .
Wharves and docks	201,653 30	42,994 76	158,658 54	. . . . .
Coal and ore wharves	23,358 05	22,036 32	1,321 73	. . . . .
Gas producing plants	53 80	67 54	. . . . .	13 74
Telegraph and telephone lines	43,093 20	42,093 75	999 45	. . . . .
Signals and interlockers	148,682 96	143,735 32	4,947 64	. . . . .
Miscellaneous structures	696 39	*1,660 54	2,356 93	. . . . .
Paving	20 90	2,000 00	. . . . .	1,979 10
Roadway machines	10,160 36	13,959 09	. . . . .	3,798 73
Small tools and supplies	31,676 54	26,079 76	5,596 78	. . . . .
Removing snow, ice and sand	18,961 01	18,507 93	453 08	. . . . .
Assessments for public improvements	1,131 60	455 45	676 15	. . . . .
Injuries to persons	9,098 43	6,265 70	2,832 73	. . . . .
Insurance	10,887 39	9,296 84	1,590 55	. . . . .
Stationery and printing	3,705 84	3,434 45	271 39	. . . . .
Other expenses	26,606 20	21,136 43	5,469 77	. . . . .
Maintaining joint tracks, yards and other facilities—Dr.	45,959 88	50,645 53	. . . . .	4,685 65
Maintaining joint tracks, yards and other facilities—Cr.	*15,914 11	*17,259 63	1,345 52	. . . . .
Total maintenance of way and structures	\$2,995,695 01	\$2,686,346 68	\$309,348 33

* Credit.

Lehigh Valley Railroad Company

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FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915

ACCOUNT	1916	1915	INCREASE	DECREASE
MAINTENANCE OF EQUIPMENT:—				
Superintendence	\$105,474 53	\$76,850 28	\$28,624 25	. . . . .
Shop machinery	81,593 27	64,417 93	17,175 34	. . . . .
Steam locomotives—Repairs	1,621,502 65	1,526,472 87	95,029 78	. . . . .
Steam locomotives—Depreciation	191,918 90	169,623 42	22,295 48	. . . . .
Steam locomotives—Retirements	97,078 93	74 29	97,004 64	. . . . .
Freight train cars—Repairs	1,113,882 30	1,724,623 27	. . . . .	\$610,740 97
Freight train cars—Depreciation	434,304 55	428,825 59	5,478 96	. . . . .
Freight train cars—Retirements	132,119 64	150,362 72	. . . . .	18,243 08
Passenger train cars—Repairs	187,889 82	172,397 27	15,492 55	. . . . .
Passenger train cars—Depreciation	43,873 82	42,239 77	1,634 05	. . . . .
Passenger train cars—Retirements	22,270 48	9,250 05	13,020 43	. . . . .
Floating equipment—Repairs	331,258 32	262,635 14	68,623 18	. . . . .
Floating equipment—Depreciation	67,431 67	66,818 31	613 36	. . . . .
Floating equipment—Retirements	7,665 96	2,502 63	5,163 33	. . . . .
Work equipment—Repairs	42,442 41	29,712 08	12,730 33	. . . . .
Work equipment—Depreciation	12,269 46	11,460 02	809 44	. . . . .
Work equipment—Retirements	1,953 04	14,137 85	. . . . .	12,184 81
Injuries to persons	7,217 59	2,996 36	4,221 23	. . . . .
Insurance	78,879 47	71,721 59	7,157 88	. . . . .
Stationery and printing	7,119 30	5,609 86	1,509 44	. . . . .
Other expenses	586 83	1,815 26	. . . . .	1,228 43
Total maintenance of equipment	\$4,588,732 94	\$4,834,546 56		\$245,813 62
TRAFFIC EXPENSES:—				
Superintendence	\$114,127 12	\$121,060 88	. . . . .	\$6,933 76
Outside agencies	269,451 73	256,841 91	\$12,609 82	. . . . .
Advertising	51,897 67	39,394 29	12,503 38	. . . . .
Traffic associations	7,926 47	8,687 88	. . . . .	761 41
Fast freight lines	43,167 77	41,284 57	1,883 20	. . . . .
Industrial and immigration bureaus	6,102 94	5,566 00	536 94	. . . . .
Insurance	33 22	41 10	. . . . .	7 88
Stationery and printing	26,990 14	34,008 40	. . . . .	7,018 26
Total traffic expenses	\$519,697 06	\$506,885 03	\$12,812 03	. . . . .

Lehigh Valley Railroad Company

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1916	1915	INCREASE	DECREASE
TRANSPORTATION EXPENSES:—				
Superintendence	\$241,220 81	\$199,672 84	\$41,547 97	
Despatching trains	44,301 75	47,156 36		\$2,854 61
Station employes	1,336,744 13	1,013,764 18	322,979 95	
Weighing, inspection, and demurrage bu- reaus	2,722 75	2,021 35	701 40	
Coal and ore wharves	116,159 63	88,241 46	27,918 17	
Station supplies and expenses	92,729 80	94,665 94		1,936 14
Yard masters and yard clerks	180,777 17	144,159 60	36,617 57	
Yard conductors and brakemen	590,605 63	573,229 83	17,375 80	
Yard switch and signal tenders	45,114 03	42,544 61	2,569 42	
Yard enginemen	340,872 56	334,867 15	6,005 41	
Fuel for yard locomotives	299,744 97	244,718 25	55,026 72	
Water for yard locomotives	14,115 18	13,390 74	724 44	
Lubricants for yard locomotives	4,784 79	4,548 35	236 44	
Other supplies for yard locomotives	4,759 76	3,583 00	1,176 76	
Enginehouse expenses—Yard	80,043 08	62,457 66	17,585 42	
Yard supplies and expenses	12,531 83	10,657 66	1,874 17	
Operating joint yards and terminals —Dr.	40,464 82	43,956 61		3,491 79
Operating joint yards and terminals —Cr.	*20,213 74	*16,950 82		3,262 92
Train enginemen	978,008 84	956,073 39	21,935 45	
Fuel for train locomotives	1,795,879 58	1,433,949 98	361,929 60	
Water for train locomotives	66,831 46	57,771 85	9,059 61	
Lubricants for train locomotives	28,937 98	23,878 86	5,059 12	
Other supplies for train locomotives	26,315 41	22,150 85	4,164 56	
Enginehouse expenses—Train	284,997 19	224,254 49	60,742 70	
Trainmen	1,121,665 04	1,094,456 40	27,208 64	
Train supplies and expenses	240,226 91	210,290 66	29,936 25	
Signal and interlocker operation	145,746 56	115,468 64	30,277 92	
Crossing protection	44,673 06	38,484 96	6,188 10	
Draw bridge operation	2,321 34	2,221 24	100 10	
Telegraph and telephone operation	53,822 11	53,533 46	288 65	
Amounts carried forward	\$8,216,904 43	\$7,139,219 55	\$1,077,684 88	

* Credit.

Lehigh Valley Railroad Company

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FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915—Continued

ACCOUNT	1916	1915	INCREASE	DECREASE
TRANSPORTATION EXPENSES—Continued:—				
Amounts brought forward	\$8,216,904 43	\$7,139,219 55	\$1,077,684 88	. . . . .
Operating floating equipment	377,159 72	289,184 66	87,975 06	. . . . .
Stationery and printing	55,875 31	46,605 65	9,269 66	. . . . .
Other expenses	11,472 28	5,157 27	6,315 01	. . . . .
Operating joint tracks and facilities—Dr.	35,887 56	31,787 65	4,099 91	. . . . .
Operating joint tracks and facilities—Cr.	*5,340 22	*5,597 01	256 79	. . . . .
Insurance	31,083 57	23,789 68	7,293 89	. . . . .
Clearing wrecks	45,160 41	38,316 91	6,843 50	. . . . .
Damage to property	30,943 78	33,417 76	. . . . .	\$2,473 98
Damage to live stock on right of way	2,370 36	1,606 81	763 55	. . . . .
Loss and damage—Freight	215,579 17	132,155 87	83,423 30	. . . . .
Loss and damage—Baggage	389 01	634 22	. . . . .	245 21
Injuries to persons	94,497 78	54,572 08	39,925 70	. . . . .
Transportation—Water lines	582,423 31	423,849 75	158,573 56	. . . . .
Miscellaneous operations	104,919 99	75,543 01	29,376 98	. . . . .
Transportation for investment—Cr.	*19,105 07	*14,608 19	. . . . .	4,496 88
Total transportation expenses	\$9,780,221 39	\$8,275,635 67	\$1,504,585 72	. . . . .
GENERAL EXPENSES:—				
Salaries and expenses of general officers.	\$85,133 57	\$78,761 08	\$6,372 49	. . . . .
Salaries and expenses of clerks and attendants	215,713 33	197,926 89	17,786 44	. . . . .
General office supplies and expenses	17,226 65	12,416 25	4,810 40	. . . . .
Law expenses	91,613 00	75,170 92	16,442 08	. . . . .
Insurance	122 75	*17 69	140 44	. . . . .
Relief department expenses	28,109 14	26,000 00	2,109 14	. . . . .
Pensions	10,653 64	4,301 48	6,352 16	. . . . .
Stationery and printing	26,764 53	16,562 83	10,201 70	. . . . .
Valuation expenses	29,304 51	18,911 33	10,393 18	. . . . .
Other expenses	25,211 87	8,752 80	16,459 07	. . . . .
Total general expenses	\$529,852 99	\$438,785 89	\$91,067 10	. . . . .
TOTAL OPERATING EXPENSES	\$18,414,199 39	\$16,742,199 83	\$1,671,999 56	. . . . .

* Credit.

Lehigh Valley Railroad Company

STATEMENT OF OPERATING REVENUES AND EXPENSES, 1908 TO 1916 INCLUSIVE

OPERATING REVENUES

YEARS ENDED JUNE 30	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL OPERATING REVENUES	NET OPERATING REVENUE
1908 . . .	\$16,175,279 94	\$14,011,301 78	\$4,159,890 47	\$592,630 94	\$571,051 09	\$35,510,154 22	\$13,198,117 73
1909 . . .	14,831,670 78	13,291,830 90	3,905,062 74	616,124 73	493,143 06	33,137,832 21	12,562,095 91
1910 . . .	15,821,797 62	14,757,799 34	4,330,172 45	656,297 45	601,331 31	36,167,398 17	14,483,250 94
1911 . . .	17,155,534 15	14,687,291 27	4,568,029 75	644,579 91	631,967 91	37,687,402 99	14,280,084 63
1912 . . .	16,301,316 24	14,591,239 56	4,703,733 52	663,660 96	645,984 93	36,905,935 21	12,185,685 40
1913 . . .	20,385,389 09	16,339,748 97	4,867,554 03	698,012 22	752,667 58	43,043,371 89	13,935,552 32
1914 . . .	18,528,246 44	15,541,885 90	4,795,147 44	639,024 62	2,666,342 38	42,170,646 78	12,082,741 58
1915 . . .	19,195,755 50	16,005,501 45	4,043,799 00	644,747 63	2,636,158 44	42,525,962 02	12,578,574 48
1916 . . .	18,811,099 51	20,363,250 65	4,300,182 81	868,176 80	3,039,859 71	47,382,569 48	14,289,591 87
*1916 . . .	9,345,640 48	11,317,769 24	2,599,694 09	523,043 32	1,932,409 74	25,718,556 87	7,304,357 48

The ratio of each class of operating revenues to total operating revenues is as follows:—

	1908	1909	1910	1911	1912	1913	1914	1915	1916	*1916
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal freight	45.55	44.76	43.75	45.52	44.17	47.36	43.94	45.14	39.70	36.34
Merchandise freight	39.46	40.11	40.80	38.97	39.54	37.96	36.85	37.64	42.98	44.01
Passenger	11.71	11.78	11.97	12.12	12.74	11.31	11.37	9.51	9.07	10.11
Mail and express	1.67	1.86	1.82	1.71	1.80	1.62	1.52	1.51	1.83	2.03
Miscellaneous	1.61	1.49	1.66	1.68	1.75	1.75	6.32	6.20	6.42	7.51

OPERATING EXPENSES

YEARS ENDED JUNE 30	MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL OPERATING EXPENSES	RATIO OF TOTAL EX- PENSES TO REVENUES
1908	\$3,398,642 07	\$6,153,874 30	\$12,121,580 08	\$637,940 04	\$22,312,036 49	Per Cent. 62.83
1909	3,273,339 47	5,832,430 15	10,760,202 59	709,764 09	20,575,736 30	62.09
1910	3,462,903 41	5,995,810 09	11,512,285 21	713,148 52	21,684,147 23	59.95
1911	3,620,176 26	6,003,286 95	12,989,953 65	793,901 50	23,407,318 36	62.11
1912	3,963,589 12	6,313,316 76	13,587,078 40	856,265 53	24,720,249 81	66.98
1913	5,694,422 24	7,561,270 87	14,976,475 01	875,651 45	29,107,819 57	67.62
1914	4,674,725 37	7,669,793 05	16,844,652 92	898,733 86	30,087,905 20	71.35
1915	4,483,924 72	8,207,491 18	16,342,016 91	913,954 73	29,947,387 54	70.42
1916	4,657,854 14	9,364,628 69	18,086,363 06	984,131 72	33,092,977 61	69.84
*1916	2,995,695 01	4,588,732 94	10,299,918 45	529,852 99	18,414,199 39	71.60

The ratio of each class of operating expenses to total operating revenues is as follows:—

	1908	1909	1910	1911	1912	1913	1914	1915	1916	*1916
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way and structures	9.57	9.88	9.57	9.61	10.74	13.23	11.09	10.54	9.83	11.65
Maintenance of equipment	17.33	17.60	16.58	15.93	17.11	17.57	18.19	19.30	19.76	17.84
Traffic and transportation expenses	34.13	32.47	31.83	34.47	36.81	34.79	39.94	38.43	38.17	40.05
General expenses	1.80	2.14	1.97	2.10	2.32	2.03	2.13	2.15	2.08	2.06

* Six months ended December 31, 1916.

Lehigh Valley Railroad Company

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TRAIN AND CAR STATISTICS FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915

	1916	1915	PERCENTAGE OF INCREASE OR DECREASE
TRAIN MILEAGE			
Freight—ordinary	4,428,103	4,437,766	Dec. .22
Freight—light	172,199	178,814	Dec. 3.70
Total freight	4,600,302	4,616,580	Dec. .35
Passenger	2,854,982	2,519,590	Inc. 13.31
Mixed	60,073	57,584	Inc. 4.32
Special	2,042	1,836	Inc. 11.22
Total revenue train miles	7,517,399	7,195,590	Inc. 4.47
Work	244,414	169,848	Inc. 43.90
Total train miles	7,761,813	7,365,438	Inc. 5.38
CAR MILEAGE			
Freight Car Miles:—			
Loaded	122,258,183	121,524,562	Inc. .60
Empty	50,306,566	56,091,410	Dec. 10.31
Caboose	4,566,632	4,584,354	Dec. .39
Total freight car miles	177,131,381	182,200,326	Dec. 2.78
Passenger Car Miles:—			
Passenger (including Pullman)	9,899,959	8,519,548	Inc. 16.20
Baggage, mail, milk, express and dining	8,351,744	7,795,066	Inc. 7.14
Total passenger car miles	18,251,703	16,314,614	Inc. 11.87
Mixed Car Miles:—			
Freight—loaded	178,898	210,472	Dec. 15.00
Freight—empty	56,280	68,324	Dec. 17.63
Caboose	338		Inc. 100.00
Passenger	75,694	75,373	Inc. .43
Baggage, mail, milk and express	3,466	2,008	Inc. 72.61
Total mixed car miles	314,676	356,177	Dec. 11.65
Special car miles	10,203	11,276	Dec. 9.52
Total transportation car miles	195,707,963	198,882,393	Dec. 1.60
Work car miles	1,465,763	1,151,608	Inc. 27.28
Total car miles	197,173,726	200,034,001	Dec. 1.43
CAR STATISTICS			
Average number of loaded freight cars in train	26.58	26.32	Inc. .99
Average number of empty freight cars in train	10.94	12.15	Dec. 9.96
Average number of cars in each freight train (including caboose)	38.50	39.47	Dec. 2.46
Percentage of loaded cars in each freight train	69.04	66.68	Inc. 3.54
Average number of passenger cars in train	3.47	3.38	Inc. 2.66
Average number of baggage, mail, milk, express and dining cars in train	2.92	3.09	Dec. 5.50
Average number of cars in each passenger train	6.39	6.47	Dec. 1.24

Lehigh Valley Railroad Company

STATISTICS OF OPERATING REVENUES AND EXPENSES

	1916	1915	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
REVENUES, EXPENSES, AND NET REVENUE						
Average miles of road operated	1,443 84	1,442.35	1.49	.10		
Total revenue train miles	7,517,399	7,195,590	321,809	4.47		
Freight and passenger revenue	\$23,263,103 81	\$22,330,123 51	\$932,980 30	4.18		
Freight and passenger revenue per mile of road	16,111 97	15,481 76	630 21	4.07		
Operating revenues	25,718,556 87	24,241,216 90	1,477,339 97	6.09		
Operating revenues per mile of road	17,812 61	16,806 75	1,005 86	5.98		
Operating revenues per revenue train mile	3.42	3.37	.05	1.48		
Operating expenses	18,414,199 39	16,742,199 83	1,671,999 56	9.99		
Operating expenses per mile of road	12,753 63	11,607 58	1,146 05	9.87		
Operating expenses per revenue train mile	2.45	2.33	.12	5.15		
Net operating revenue	7,304,357 48	7,499,017 07			\$194,659 59	2.60
Net operating revenue per mile of road	5,058 98	5,199 17			140 19	2.70
Net operating revenue per revenue train mile	.97	1.04			.07	6.73
FREIGHT						
Freight revenue	\$20,663,409 72	\$20,028,458 62	\$634,951 10	3.17		
EXCLUDING COMPANY'S SUPPLIES						
Number of tons carried	17,674,141	17,103,928	570,213	3.33		
Number of tons carried one mile	3,186,658,847	3,052,555,523	134,103,324	4.39		
Average distance carried	180.30 miles	178.47 miles	1.83 miles	1.03		
Average number of tons carried one mile per mile of road	2,207,072	2,116,376	90,696	4.29		
Average revenue per ton	116.913 cents	117.099 cents			.186 cent	.16
Average revenue per ton per mile . . . . .	.648 cent	.656 cent			.008 cent	1.22
Freight and mixed train mileage	4,660,375	4,674,164			13,789	.30
Freight revenue per mile of road	\$14,311 43	\$13,885 99	\$425 44	3.06		
Freight revenue per train mile	\$4.43	\$4.28	\$0.15	3.50		
Average number of tons in each train.	683.78	653.07	30.71	4.70		
Average number of tons in each loaded car	26.03	25.08	.95	3.79		

Lehigh Valley Railroad Company

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FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915

	1916	1915	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
FREIGHT—(Continued)						
INCLUDING COMPANY'S SUPPLIES						
Number of tons carried	19,168,587	18,981,273	187,314	.99		
Number of tons carried one mile	3,299,758,068	3,169,251,449	130,506,619	4.12		
Average distance carried	172.14 miles	166.97 miles	5.17 miles	3.10		
Average number of tons in each train	708.05	678.04	30.01	4.43		
Average number of tons in each loaded car	26.95	26.03	.92	3.53		
PASSENGER						
Passenger revenue	\$2,599,694 09	\$2,301,664 89	\$298,029 20	12.95		
Passenger train revenue	3,540,683 56	3,114,136 48	426,547 08	13.70		
Number of passengers carried	3,724,606	3,355,360	369,246	11.00		
Number of passengers carried one mile	140,546,657	125,788,981	14,757,676	11.73		
Average distance each passenger carried	37.73 miles	37.49 miles	.24 mile	.64		
Average number of passengers one mile per mile of road	97,342	87,211	10,131	11.62		
Average revenue per passenger	69.798 cents	68.597 cents	1.201 cents	1.75		
Average revenue per passenger per mile	1.850 cents	1.830 cents	.020 cent	1.09		
Passenger and mixed train mileage (excluding milk and express)	2,378,782	2,152,881	225,901	10.49		
Passenger and mixed train mileage (including milk and express)	2,915,055	2,577,174	337,881	13.11		
Passenger revenue per mile of road	\$1,800 54	\$1,595 77	\$204 77	12.83		
Passenger revenue per train mile	109.29 cents	106.91 cents	2.38 cents	2.23		
Passenger train revenue per mile of road	\$2,452 27	\$2,159 07	\$293 20	13.58		
Passenger train revenue per train mile	121.46 cents	120.84 cents	.62 cent	.51		
Average number of passengers in each train	48.21	48.81			.60	1.23
Average number of passengers in each passenger car	14.09	14.64			.55	3.76

Lehigh Valley Railroad Company

PERFORMANCE OF LOCOMOTIVES

	1916	1915	INCREASE	DECREASE
LOCOMOTIVE MILEAGE				
Freight	4,600,302	4,616,580		16,278
Passenger	2,854,982	2,519,590	335,392	
Mixed	60,073	57,584	2,489	
Special	2,042	1,836	206	
Helping, freight	624,378	668,697		44,319
Helping, passenger	125,653	93,256	32,397	
Light	698,702	752,568		53,866
Switching	3,137,516	3,168,548		31,032
Total (excluding work)	12,103,648	11,878,659	224,989	
Work	244,414	169,848	74,566	
Total	12,348,062	12,048,507	299,555	
Average freight	15,319	15,518		199
Average passenger	26,685	25,064	1,621	
Average switching and other	13,917	15,130		1,213
Average all services	16,687	16,898		211
Percentage of freight helping	10.78	11.28		.50
Percentage of passenger helping	3.96	3.32	.64	
Greatest mileage made by engine in freight service	15,018	23,960		8,942
Greatest mileage made by engine in passenger service	48,664	46,562	2,102	
CAR MILEAGE				
Freight, loaded	122,258,183	121,524,562	733,621	
Freight, empty	50,306,566	56,091,410		5,784,844
Caboose	4,566,632	4,584,354		17,722
Passenger, baggage, mail, milk, express and dining	18,251,703	16,314,614	1,937,089	
Mixed, freight and passenger	314,676	356,177		41,501
Special	10,203	11,276		1,073
Work	1,465,763	1,151,608	314,155	
Total	197,173,726	200,034,001		2,860,275
*Average cars per draft, freight (loaded basis)	32.54	32.90		.36,
Average cars per draft, passenger	6.39	6.48		.09

* Two empty freight cars equaling one loaded; caboose mileage considered as empty mileage.

Lehigh Valley Railroad Company

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FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915

	1916	1915	INCREASE	DECREASE
FUEL COAL USED PER MILE	POUNDS	POUNDS	POUNDS	POUNDS
Freight locomotive	237.0	229.7	7.3	. . . . .
Passenger locomotive	126.4	125.7	.7	. . . . .
Switching and other locomotive	103.4	106.8	. . . . .	3.4
All services	172.0	170.4	1.6	. . . . .
Freight car	9.2	9.0	.2	. . . . .
Passenger car	21.8	21.5	.3	. . . . .
OIL AND WASTE	MILES	MILES	MILES	MILES
Lubricating oil, locomotive miles per pint	20.72	23.15	. . . . .	2.43
Cylinder oil, locomotive miles per pint	59.23	68.00	. . . . .	8.77
Waste, locomotive miles per pound	137.18	107.17	30.01	. . . . .
COST PER LOCOMOTIVE MILE	CENTS	CENTS	CENTS	CENTS
Fuel	17.30	14.10	3.20	. . . . .
Oil and waste . . . . .	.28	.24	.04	. . . . .
Other supplies . . . . .	.25	.21	.04	. . . . .
Water supply . . . . .	.67	.60	.07	. . . . .
Enginemen and firemen	10.82	10.83	. . . . .	.01
Enginehouse expenses	3.01	2.41	.60	. . . . .
Repairs (excluding retirements)	13.40	11.75	1.65	. . . . .
Total	45.73	40.14	5.59	. . . . .
Total, including retirements.	46.52	40.14	6.38	. . . . .
COST PER CAR MILE	CENTS	CENTS	CENTS	CENTS
Fuel	1.24	1.00	.24	. . . . .
Oil and waste . . . . .	.02	.02	. . . . .	. . . . .
Other supplies . . . . .	.02	.02	. . . . .	. . . . .
Water supply . . . . .	.05	.05	. . . . .	. . . . .
Enginemen and firemen . . . . .	.78	.77	.01	. . . . .
Enginehouse expenses . . . . .	.21	.17	.04	. . . . .
Repairs (excluding retirements) . . . . .	.98	.81	.17	. . . . .
Total	3.30	2.84	.46	. . . . .
Total, including retirements.	3.37	2.84	.53	. . . . .

Lehigh Valley Railroad Company

CLASSIFICATION OF ADDITIONS AND BETTERMENTS FOR THE SIX MONTHS
ENDED DECEMBER 31, 1916

Engineering	\$19,759 96
Land for transportation purposes	629,058 71
Grading	78,933 04
Bridges, trestles, and culverts	245,646 42
Ties	59,801 59
Rails	107,702 30
Other track material	115,074 44
Ballast	671 05
Track laying and surfacing	108,420 68
Right of way fences	6,868 71
Crossings and signs	15,883 16
Station and office buildings	294,507 12
Roadway buildings	7,047 72
Water stations	13,887 42
Fuel stations	1,433 28
Shops and enginehouses	647,004 08
Wharves and docks	23,417 42
Coal and ore wharves	153,836 48
Telegraph and telephone lines	6,731 72
Signals and interlockers	44,580 15
Paving	25,483 53
Roadway machines	13,601 08
Assessments for public improvements	6,203 30
Other expenditures—road	8,102 17
Shop machinery	97,503 37
Steam locomotives	1,111,347 33
Freight train cars	1,715,718 01
Passenger train cars	50,123 38
Work equipment	57,742 27
General expenditures	38,990 80
Total	\$5,705,080 69

Lehigh Valley Railroad Company

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CLASSIFICATION OF TONNAGE FOR THE SIX MONTHS ENDED DECEMBER 31, 1916 AND 1915

COMMODITY	1916	1915	INCREASE	DECREASE
PRODUCTS OF AGRICULTURE:—				
Grain	901,328	904,812	. . . . .	3,484
Flour	423,433	431,134	. . . . .	7,701
Other mill products	135,110	175,668	. . . . .	40,558
Hay	134,737	145,537	. . . . .	10,800
Tobacco (unmanufactured)	8,789	2,485	6,304	. . . . .
Cotton (unmanufactured)	22,434	18,944	3,490	. . . . .
Fruits and vegetables	135,511	128,126	7,385	. . . . .
Other agricultural products	56,904	54,979	1,925	. . . . .
PRODUCTS OF ANIMALS:—				
Live stock	69,590	68,907	683	. . . . .
Dressed meats	80,710	88,810	. . . . .	8,100
Other packing-house products	35,262	48,039	. . . . .	12,777
Poultry, game and fish	12,621	9,043	3,578	. . . . .
Wool	8,724	8,107	617	. . . . .
Hides and leather	36,549	32,005	4,544	. . . . .
Other products of animals	43,017	38,147	4,870	. . . . .
PRODUCTS OF MINES:—				
Ores	797,852	543,621	254,231	. . . . .
Stone, sand and other like articles	1,102,969	1,123,308	. . . . .	20,339
Anthracite coal (net tons)	7,074,765	7,254,367	. . . . .	179,602
Bituminous coal and coke	1,617,311	1,559,080	58,231	. . . . .
PRODUCTS OF FOREST:—				
Lumber	265,658	328,574	. . . . .	62,916
Bark	10,500	11,266	. . . . .	766
Other products of the forest	136,260	128,020	8,240	. . . . .
MANUFACTURES:—				
Petroleum and other oils	264,222	304,179	. . . . .	39,957
Sugar and glucose	105,095	90,191	14,904	. . . . .
Iron—pig and bloom	279,029	279,269	. . . . .	240
Iron and steel rails	259,346	192,116	67,230	. . . . .
Castings and machinery	126,047	115,378	10,669	. . . . .
Bar and sheet metal	147,081	228,650	. . . . .	81,569
Cement, brick and lime	869,862	790,957	78,905	. . . . .
Agricultural implements	4,046	8,676	. . . . .	4,630
Wagons, carriages, tools, etc.	30,185	26,670	3,515	. . . . .
Wines, liquors and beers	39,836	28,946	10,890	. . . . .
Household goods and furniture	14,541	12,926	1,615	. . . . .
Copper and lead—pig	281,252	249,888	31,364	. . . . .
Salt	145,333	120,036	25,297	. . . . .
MISCELLANEOUS	1,998,232	1,553,067	445,165	. . . . .
Total revenue tonnage	17,674,141	17,103,928	570,213	. . . . .

Lehigh Valley Railroad Company

INVENTORY OF EQUIPMENT, DECEMBER 31, 1916

LOCOMOTIVES	965	ROAD SERVICE EQUIPMENT:—	
Tractive power (pounds)	33,059,618	Air-brake instruction.	1
		Air-dump.	100
		Box	1
		Business	9
		Derrick	38
		Flat	26
		Gondola	63
		Grading	15
		Hospital	1
		Locomotive cranes.	40
		Motor	3
		Pile driver	2
		Pole	6
		Scale test.	3
		Snow flangers.	18
		Snow plows.	11
		Spreader	4
		Steam shovels.	4
		Tank	1
		Tool.	40
		Tunnel.	4
		Unloader.	1
		Water	7
		Workmen's.	355
		Total	753
PASSENGER CAR EQUIPMENT:—			
Passenger.	288		
Combined passenger and baggage	47		
Combined baggage and mail	25		
Baggage and express.	110		
Dining.	12		
Library buffet.	5		
Postal	3		
Milk.	135		
Fruit.	1		
Total	626		
FREIGHT CAR EQUIPMENT:—			
Box	17,766		
Coal.	18,192		
Gondola	3,493		
Flat	115		
Produce	111		
Refrigerator	1,307		
Stock	1		
Automobile.	1,615		
Ice	401		
Well.	3		
Gun and armor	5		
Set of gun and armor trucks	1		
Cabooses.	494		
Total	43,504		
Tons capacity.	1,651,240		
		*FLOATING EQUIPMENT:—	
		Lake steamers.	6
		Tugs.	20
		Steam lighters.	4
		Barges.	230
		Car floats.	26
		Cattle boats	3
		Work boats.	3
		Motor boat	1
		Wrecking boat	1
		Total	294

* Does not include Morris Canal and Banking Company's equipment.

Lehigh Valley Railroad Company

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MILEAGE OF TRACK OPERATED, DECEMBER 31, 1916

	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Phillipsburg, N. J., to Northampton St., Wilkes-Barre, Pa.	99.22	88.12	44.81	29.76	170.72	432.63
Main Line Branches	51.17	18.12	. . . .	. . . .	26.82	96.11
Mahanoy and Hazleton Division:						
Main Line—Penn Haven Junction, Pa., to Mount Carmel, Pa. (via Hazleton). . . .	52.34	46.07	. . . .	. . . .	68.69	167.10
Branches	113.06	34.34	. . . .	. . . .	65.91	213.31
Total	315.79	186.65	44.81	29.76	332.14	909.15
CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK						
	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD COMPANY OF NEW JERSEY:						
Main Line—Jersey City, N. J., to Phillipsburg, N. J. Branches	75.05 47.82	73.94 18.27	37.85	13.07	116.89 167.68	316.80 233.77
PENNSYLVANIA AND NEW YORK CANAL AND RAILROAD COMPANY:						
Main Line—Northampton St., Wilkes-Barre, Pa., to Pennsylvania State Line	96.56	96.56	4.80	2.03	183.30	383.25
Branches	40.16	1.57	. . . .	. . . .	37.61	79.34
THE LEHIGH VALLEY RAIL WAY COMPANY:						
Main Line—Pennsylvania State Line to Buffalo, N. Y.	174.48	174.48	12.07	. . . .	183.42	544.45
Branches	339.74	22.34	. . . .	. . . .	146.34	508.42
LEHIGH-BUFFALO TERMINAL RAILWAY CORPORATION:						
Main Line—Louisiana St., Buffalo, to End of Line . . . . .	.68	.68	. . . .	. . . .	4.56	5.92
THE DELAWARE, SUSQUEHANNA AND SCHUYLKILL RAILROAD COMPANY:						
Main Line—Eckley, Pa., to Sheppton, Pa. . . .	18.54	. . . .	. . . .	. . . .	7.02	25.56
Branches	13.24	. . . .	. . . .	. . . .	9.86	23.10
EASTON AND NORTHERN RAILROAD COMPANY:						
Main Line—Easton, Pa., to Belfast, Pa. . . .	11.08	. . . .	. . . .	. . . .	3.58	14.66
Branches	1.70	. . . .	. . . .	. . . .	1.50	3.20
THE SCHUYLKILL AND LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Lizard Creek Junction, Pa., to Blackwood, Pa.	40.14	. . . .	. . . .	. . . .	8.30	48.44
Branches	1.70	. . . .	. . . .	. . . .	. . . .	1.70
LOYALSOCK RAILROAD COMPANY:						
Main Line—Luzerne, Pa., to Bernice, Pa. . . .	44.85	. . . .	. . . .	. . . .	7.82	52.67
Branches	5.44	. . . .	. . . .	. . . .	1.61	7.05
MONTROSE RAILROAD COMPANY:						
Main Line—Tunkhannock, Pa., to Montrose, Pa. . . .	27.36	. . . .	. . . .	. . . .	3.88	31.24
Total	938.54	387.84	54.72	15.10	883.37	2,279.57
CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK AND LEASE						
	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH AND NEW YORK RAILROAD COMPANY:						
Pennsylvania State Line to North Fair Haven, N. Y.	115.37	. . . .	. . . .	. . . .	38.54	153.91

Lehigh Valley Railroad Company

MILEAGE OF TRACK OPERATED, DECEMBER 31, 1916—Continued

OPERATED UNDER LEASE	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
STATE LINE AND SULLIVAN RAILROAD COMPANY: Monroeton, Pa., to Bernice, Pa.	24.06				3.59	27.65
HAYTS CORNERS, OVID AND WILLARD RAILROAD COMPANY: Hayts Corners, N. Y., to Willard, N. Y.	2.98				.20	3.18
NEW YORK CENTRAL RAILROAD COMPANY: Suspension Bridge Yard					12.65	12.65
RARITAN TERMINAL AND TRANSPORTATION COMPANY: At Perth Amboy, N. J. . . . .	.59				.01	.60
NATIONAL STORAGE COMPANY: At National Stores, Jersey City, N. J.					8.34	8.34
MORRIS CANAL AND BANKING COMPANY: At Phillipsburg, N. J.					1.03	1.03
Total	27.63				25.82	53.45
TRackage RIGHTS	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
PENNSYLVANIA RAILROAD COMPANY: Tomhicken, Pa., to Gum Run, Pa.	1.84					1.84
PEOPLES RAILWAY COMPANY: Minersville, Pa., to Pottsville, Pa.	3.47					3.47
DELAWARE AND HUDSON COMPANY: Avoca, Pa., to Moosic, Pa.	1.67	1.61			.66	3.94
ERIE AND WYOMING VALLEY RAILROAD COMPANY: Duryea Junction, Pa., to Old Forge, Pa. . . . .	.88					.88
LEHIGH AND NEW ENGLAND RAILROAD COMPANY: At Slatington, Pa. . . . .	.44				.74	1.18
SUSQUEHANNA AND NEW YORK RAILROAD COMPANY: Towanda Junction, Pa., to Monroeton, Pa.	4.00					4.00
LEHIGH AND WILKES-BARRE COAL COMPANY: Franklin Junction, Pa., to Franklin Branch	1.00					1.00
CENTRAL RAILROAD COMPANY OF NEW JERSEY: At Easton, Pa. . . . .	.08					.08
Oak Island Junction, N. J., to Jersey City, N. J.	6.65	6.65				13.30
NEW YORK, ONTARIO AND WESTERN RAILROAD COMPANY: At Sylvan Junction, N. Y. . . . .	.10					.10
WESTERN NEW YORK AND PENNSYLVANIA RAILWAY COMPANY: At Buffalo, N. Y. . . . .	.34					.34
ERIE RAILROAD COMPANY: At Waverly, N. Y.					1.52	1.52
NEW YORK CENTRAL RAILROAD COMPANY: Tonawanda Junction, N. Y., to Suspension Bridge, N. Y.	14.96	14.29				29.25
At Cayuga, N. Y.	2.14					2.14
On Wonalancet Branch, near Tonawanda, N. Y.	8.25					8.25
Total	45.82	22.55			2.92	71.29

Lehigh Valley Railroad Company

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MILEAGE OF TRACK OPERATED, DECEMBER 31, 1916—Concluded

RECAPITULATION	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Lehigh Valley Railroad Company	315.79	186.65	44.81	29.76	332.14	909.15
Controlled by ownership of entire capital stock. . . .	938.54	387.84	54.72	15.10	883.37	2,279.57
Controlled by ownership of majority of capital stock and lease	115.37	. . . .	. . . .	. . . .	38.54	153.91
Operated under lease	27.63	. . . .	. . . .	. . . .	25.82	53.45
Trackage rights	45.82	22.55	. . . .	. . . .	2.92	71.29
Total	1,443.15	597.04	99.53	44.86	1,282.79	3,467.37
MILEAGE BY STATES	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Pennsylvania	653.95	286.34	49.61	31.79	601.56	1,623.25
New York	659.04	211.79	12.07	. . . .	389.43	1,272.33
New Jersey	130.16	98.91	37.85	13.07	291.80	571.79
Total	1,443.15	597.04	99.53	44.86	1,282.79	3,467.37

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES,
SCHEDULED ON PAGES 24 AND 25.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES

DECEMBER 31, 1916

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated May 15, 1868.

First Mortgage Bonds

Interest 4 per cent., payable June 1 and December 1,
at Company's office, Philadelphia, and J. P. Morgan
& Co., New York.
Principal payable June 1, 1948.

The bonds originally issued reached maturity June 1, 1898, and bore interest at the rate of 6 per cent., but the entire issue was extended for fifty years, with interest at the rate of 4 per cent., by an extension contract attached to the registered form and an extension contract and coupon sheets to the coupon form.

The authorized issue is \$5,000,000, in the denomination of \$1,000 each, all of which are outstanding, \$3,350,000 being in registered form and \$1,650,000 in coupon form.

There is no provision in the mortgage for the exchange of registered bonds for coupon bonds, nor can the coupon bonds be registered. The registered bonds are transferable at the office of the Secretary in Philadelphia.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad from Phillipsburg, N. J., to Wilkes-Barre, Pa., including sundry branch lines in the coal fields, a total length of 285.30 miles.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

Fidelity Trust Company, Trustee.
Philadelphia, Pa.
Dated November 13, 1873.

Consolidated Mortgage Bonds

Interest 6 per cent. and 4½ per cent., payable June 1
and December 1, at Company's office, Philadelphia,
and J. P. Morgan & Co., New York.
\$10,400,000 principal payable December 1, 1923.

Authorized issue.....	\$40,000,000
Sterling bonds, issued and since retired.....	\$5,000,000
Reserved under the terms of mortgage to retire	
\$5,000,000 First Mortgage Bonds of 1868 and	
\$6,000,000 Second Mortgage Bonds of 1870	12,000,000
	<u>17,000,000</u>
Bonds outstanding.....	\$23,000,000

being 23,000 bonds, in the denomination of \$1,000, as follows:—

BONDS MATURING DECEMBER 1, 1923.

FORM OF BOND	RATE OF INTEREST	NUMBER OF BONDS	
Registered	6 per cent.	4,319	
Coupon	6 per cent.	1,319	
Registered	4½ per cent.	3,093	
Coupon	4½ per cent.	1,669	
		<u>10,400</u>	

PERPETUAL OR ANNUITY BONDS

Registered	6 per cent.	10,062	
Registered	4½ per cent.	2,538	
		<u>12,600</u>	

Total bonds outstanding..... 23,000

Prior to November 13, 1893, the holders of coupon and registered bonds, maturing December 1, 1923, had the privilege of surrendering the same for Annuity Bonds, and a number of bonds were so exchanged. This privilege under the terms of the mortgage, expired November 13, 1893, and the bonds are no longer exchangeable. These Annuity Bonds are a perpetual lien on the Company's property and cannot be retired, except upon default in the payment of interest by the Company.

The mortgage provides for interest at the rate of 6 per cent., but by appropriate action, this rate was subsequently reduced on \$7,300,000 of bonds to 4½ per cent. There is no provision for the registration of the 6 per cent. coupon bonds.

The 4½ per cent. coupon bonds may be registered as to principal only. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds. The registered bonds are transferable at the office of the Secretary in Philadelphia.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The main line from Phillipsburg, N. J., to Wilkes-Barre, Pa., and branches, a total of 315.79 miles.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)
DECEMBER 31, 1916

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated September 30, 1903.

General Consolidated Mortgage Bonds

Interest 4 per cent. and 4½ per cent., payable May 1 and November 1, at Company's office, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable May 1, 2003.

The authorized issue is \$150,000,000.

Denomination of coupon bonds \$1,000, of registered bonds \$1,000, \$5,000 and \$10,000. Coupon bonds may be registered as to principal only, or may be exchanged for an equivalent amount of registered bonds. The \$5,000 or \$10,000 registered bonds may be split, or the \$1,000 registered bonds may be consolidated. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

These bonds may be registered or transferred at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York.

The following bonds have been issued:—

Bearing interest at the rate of 4 per cent.	\$39,639,000
Bearing interest at the rate of 4½ per cent.	21,697,000
A total of.....	\$61,336,000
Of which there are in the Company's treasury:	
4 per cent. bonds.....	\$13,000,000
4½ per cent. bonds.....	1,000,000
	14,000,000
Leaving outstanding in the hands of the public.....	\$47,336,000

There may yet be issued bonds to the amount of \$88,664,000.

The mortgage provides that bonds may be issued in such denominations and at such rates of interest, not exceeding 5 per cent., as the Board of Directors may prescribe at the time of issue; and the Board of Directors may, at the time of issue, order that such bonds shall, at the election of the holder, be convertible into common stock of the Company, provided that the total amount issued, containing this provision, shall not at any time exceed \$25,000,000. The bonds authorized to be issued thus far are not subject to this provision.

Another feature of this mortgage is that it provides for bonds to be issued thereunder to cover the payment, at maturity, of outstanding bonds of various companies, subsidiary to the Lehigh Valley Railroad Company, by reason of their control through stock ownership.

Generally, this mortgage, by its provisions, is the means of binding together the various railroad properties, owned or controlled by the Lehigh Valley Railroad Company, and enables the Company to provide for the financial needs of the property as a System, rather than through the subsidiary companies forming its integral parts.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: The line of railroad from Phillipsburg, N. J., to Wilkes-Barre, Pa., including sundry branches, aggregating 315.79 miles, together with all leases under which the Company operates any railroads, also all real estate owned, and stocks and debentures of subsidiary companies forming constituent parts of the Lehigh Valley System, to an amount of \$59,186,225 par value.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated November 1, 1905.

Collateral Trust Bonds

Interest 4 per cent., payable February 1 and August 1, at Company's office, Philadelphia, and J. P. Morgan & Co., New York.
Final principal payment due February 1, 1926.

The authorized issue is \$19,000,000, all of which have been issued in the form of coupon bonds of the denomination of \$1,000, and are in series of \$500,000, maturing February 1 and August 1 of each year, beginning August 1, 1907, the date of the final payment being February 1, 1926.

As of December 31, 1916, \$9,500,000 of these bonds have been paid off, leaving \$9,500,000 outstanding, of which \$1,056,000 are in the Company's treasury.

They may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the Trust Agreement for the exchange of fully registered bonds for coupon bonds.

The Company may redeem these bonds on February 1 or August 1, in any year, at par and 2½ per cent. premium, after sixty days' notice.

Under this Trust Agreement the entire outstanding capital stock of Cox & Brothers & Company, Incorporated, amounting to 58,203 shares, of a par value of \$2,910,150, and also the entire outstanding capital stock of The Delaware, Susquehanna & Schuylkill Rail Road Company, amounting to 30,000 shares, of a par value of \$1,500,000, are deposited as collateral with the Trustee, for the purpose of securing the above issue of bonds.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)

DECEMBER 31, 1916

Lehigh Valley Railroad Company

United States Mortgage and Trust Company, Trustee.

New York City.

Dated October 3, 1907.

Equipment Trust, Series J, CertificatesInterest $4\frac{1}{2}$ per cent., payable March 1 and September 1, at office of the Company, Philadelphia.

Principal payable in semi-annual instalments of \$250,000 each, to September 1, 1917.

Amount authorized and issued, \$5,000,000, of which \$4,500,000 have been paid off and cancelled.

These certificates are in coupon form of the denomination of \$1,000, and have the privilege of registration as to principal only at the office of the Secretary, Philadelphia.

They are secured by an equipment lease covering 1000 box cars, 1000 steel gondola cars, and 3000 steel coal cars.

Interest on these bonds is payable without deduction on account of taxes.

Easton and Northern Railroad Company

Girard Trust Company, Trustee.

Philadelphia, Pa.

Dated October 7, 1895.

First Mortgage BondsInterest $4\frac{1}{2}$ per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia.

Principal payable November 1, 1935.

The authorized issue is \$300,000, all of which are outstanding. They were originally issued in coupon form in the denominations of \$1,000 and \$500 and may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest by endorsement.

\$249,000 of these bonds are owned by the Lehigh Valley Railroad Company.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad extending from Easton, Pa., to Belfast, Pa., together with sundry branches, a total length of 12.78 miles.

Interest on these bonds is payable without deduction on account of taxes.

Pennsylvania and New York Canal and Railroad Company

Girard Trust Company, Trustee.

Philadelphia, Pa.

Dated November 13, 1888.

Consolidated Mortgage BondsInterest 5 per cent., $4\frac{1}{2}$ per cent., and 4 per cent., payable April 1 and October 1, at office of Lehigh Valley Railroad Company, Philadelphia.

Principal payable April 1, 1939.

The authorized issue is \$10,000,000, of which there are issued and outstanding \$8,500,000, as follows:—

Bearing interest at the rate of 5 per cent., \$4,000,000

Bearing interest at the rate of $4\frac{1}{2}$ per cent., 1,500,000

Bearing interest at the rate of 4 per cent., 3,000,000

\$8,500,000

They were originally issued in the form of registered bonds, of the denomination of \$1,000. The mortgage provides for interest at the rate of 5 per cent., but by appropriate action, this rate was subsequently reduced on \$1,500,000 of bonds to $4\frac{1}{2}$ per cent., and on \$3,000,000 of bonds to 4 per cent. They are transferable at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the issuance of coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad extending from Wilkes-Barre, Pa., to New York State line at Sayre, Pa., together with sundry branches, a total length of 136.72 miles.

Interest on these bonds is payable without deduction on account of taxes.

The Lehigh Valley Rail Way Company

Girard Trust Company, Trustee.

Philadelphia, Pa.

Dated June 23, 1890.

First Mortgage BondsInterest $4\frac{1}{2}$ per cent., payable January 1 and July 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.

Principal payable July 1, 1940.

The authorized issue is \$15,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000.

These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: The line of railroad extending from Pennsylvania State Line (Sayre) to Buffalo, N. Y., with branches, a total length of 514.22 miles. In addition, the lien of this mortgage covers what is known as the "Tift Farm Terminal," having a frontage of 6,212 feet on Lake Erie, containing about 519 acres, upon which various docks, warehouses and freight shipping facilities are located.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued) DECEMBER 31, 1916

Middlesex Valley Railroad Company

Central Trust Company, Trustee.
New York City.
Dated August 26, 1892.

First Mortgage Bonds

Interest 5 per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable November 1, 1942.

The authorized issue is \$600,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000, and may be registered as to principal only at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest.
\$400,000 of these bonds are owned by the Lehigh Valley Railroad Company.

Property mortgaged: That portion of the line of The Lehigh Valley Rail Way Company, extending from Geneva, N. Y., to Naples, N. Y., a total length of 29.42 miles.

The Company does not assume the Federal Income Tax on these bonds.

The Lehigh and Lake Erie Railroad Company

United States Mortgage and Trust Company, Trustee.
New York City.
Dated March 1, 1907.

First Mortgage Bonds

Interest 4½ per cent., payable March 1 and September 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable March 1, 1957.

The authorized issue of bonds under this mortgage is \$3,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000.

These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Company may redeem these bonds on March 1 or September 1, in any year at par and 5 per cent. premium, after sixty days' notice.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

Property mortgaged: That portion of the line of The Lehigh Valley Rail Way Company, extending from Tift Farm Junction to Tift Farm Terminal, Buffalo, N. Y., a total length of 10.93 miles.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh and New York Railroad Company

Metropolitan Trust Company, Trustee.
New York City.
Dated August 24, 1895.

First Mortgage Bonds

Interest 4 per cent., payable March 1 and September 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable September 1, 1945.

The authorized issue is \$2,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000. These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York Stock Exchange.

Property mortgaged: The line of railroad extending from Pennsylvania State Line (Sayre) to North Fair Haven, N. Y., a total length of 115.37 miles.

Interest on these bonds is payable without deduction on account of taxes.

Easton and Amboy Railroad Company

Provident Life and Trust Company, Trustee.
Philadelphia, Pa.
Dated April 13, 1880.

First Mortgage Bonds

Interest 5 per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia.
Principal payable May 1, 1920.

The authorized issue is \$6,000,000, all of which are outstanding. They are registered in form, and are in vision in the mortgage for the issuance of coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: That portion of the line of the Lehigh Valley Railroad Company of New Jersey, extending from Phillipsburg, N. J., to Perth Amboy, N. J., together with sundry branches, a total length of 69 miles.

Interest on these bonds is payable without deduction on account of taxes.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Concluded)

DECEMBER 31, 1916

Lehigh Valley Terminal Railway Company

Central Trust Company, Trustee.
New York City.
Dated October 1, 1891.

First Mortgage Bonds

Interest 5 per cent., payable April 1 and October 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable October 1, 1941.

The authorized issue is \$10,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000. These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: That portion of the line of the Lehigh Valley Railroad Company of New Jersey, extending from South Plainfield, N. J., to Constable Junction, N. J., together with sundry branches, a total length of 27.90 miles, and in addition thereto the terminal property at Jersey City, N. J., comprising 126.83 acres.

Interest on these bonds is payable without deduction on account of taxes.





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